

TO: Keith Berger
Executive Officer
Office of Management

FROM: Theresa S. Shaw
Federal Student Aid

DATE: April 23, 2004

SUBJECT: Request for Approval of the Reorganization of FSA's Application, School Eligibility and Delivery Services (ASEDS) Organization

This memorandum is to request your approval of the reorganization of the Application, School Eligibility and Delivery Services (ASEDS) organization within the Office of Federal Student Aid (FSA). The ASEDS organization was the first organization within FSA to initiate and complete a workforce alignment initiative to analyze how its workforce could better meet the goals of the organization and improve its operations. Through this analysis, we concluded that the current ASEDS organization needed to be restructured to better align resources with immediate business needs and to develop capabilities for successful delivery and achievement of the organization's strategic goals and mission.

The following organizational changes will enable ASEDS to best meet the needs of student aid recipients and school partners. Further details regarding these changes are provided in the attached documents. Organizational changes are categorized into three major groupings: elimination of functions (i.e., eliminating redundancies), consolidation of functions (i.e., aligning similar or like functions) and addition of functions/structures.

- Elimination of the School Relations Branch and transfer of current School Relations employees to areas within the proposed ASEDS organization.

The duties performed in the current School Relations Branch were found to be performed throughout the ASEDS organization. As a result, we are proposing to eliminate the School Relations Division and employees will be reassigned to other areas in the proposed organization.

- The addition of an Integration Team in the ASEDS Immediate Office to support business and technology integration across ASEDS.

The Integration Team was added to the ASEDS Immediate Office to ensure that all business process reengineering and system implementations are aligned with the enterprise business architecture and FSA's performance goals.

- Consolidation of resources focused on providing services to Historically Black Colleges and Universities (HBCU), Hispanic Serving Institutions (HSI) and Tribally Controlled Colleges and Universities within the Immediate Office of the School Services and Training Channel.

The resources providing support to these select institutions will be consolidated into a single team with the mission of proactively identifying the unique service needs of these schools and provide the assistance required to ensure their continued participation in any Title IV program.

- Consolidation of Title IV related training within the School Services and Training Division.

By consolidating all Title IV program related training into one organizational unit we have eliminated redundancies and streamlined the process of developing and delivering training. This group will be responsible for all Title IV program related training (both internal and external audiences) while FSA University will continue to be responsible for other employee related training (i.e., orientation, management training, etc.)

- The addition of the Program Operations Channel to perform functions related to ASEDS information technology systems delivering Title IV aid.

The operations of ASEDS information technology systems delivering Title IV aid will be combined in a newly created channel, Program Operations. The new channel includes functions performed in the current Title IV Delivery Division and the Application Processing Division.

- The addition of an Integrated Partner Management (IPM) Division to the School Eligibility Channel.

The functions currently performed in the Postsecondary Education Participants Systems (PEPS) Division and the Data Management and Analysis Division (DMAD) will be combined to form the Integrated Partner Management (IPM) Division. The IPM Division will be responsible for managing the systems (e.g. eAPP, eZ-Audit and PEPS) and operations that support school management and oversight activities. The IPM Division will be staffed by employees from the current PEPS Division and DMAD.

- Consolidation of four Case Management Divisions into three School Participation Teams (Northeast, South-Central, Northwest) operating under the School Participation Management Division.

The current four Case Management Divisions will be reorganized into three School Participation Teams operating under the School Participation Management Division. The organization of the 10 regional teams was also modified, combining both San Francisco and Seattle in the Northwest Team as well as New York and Boston in the Northeast team. This structure enables more flexibility in managing workload across the geographically dispersed teams without requiring reorganization.

We do not anticipate any significant changes to the current delegations of authority as a result of these proposed changes. However, we will work closely with the Department's Delegations Officer

following the approval of our proposal to ensure that any changes that may be necessary are made expeditiously.

I do not expect that this reorganization will result in any adverse impact on ASEDs employees. All employee reassignments to be made as a result of this reorganization will be grade sustaining and will not require employee relocations. All staff supporting eliminated or consolidated functions will be reassigned to positions within the proposed organization that are comparable to their current job responsibilities. Program and technical training will be provided to employees who change functional duties.

The proposed staffing pattern includes some vacancies that represent future staffing/skill needs based on ASEDs workforce planning. Please note that these vacancies are not intended to depict an increase in headcount. These positions will be filled on an as needed basis given budget considerations.

Lastly, FSA is submitting a request for authority to provide Voluntary Separation Incentive Payments (VSIP) and Voluntary Early Retirement Authority (VERA) to provide ASEDs management with greater flexibility to manage its workforce and acquisition of specialized skills. However, the reorganization is not contingent upon the approval of this request.

I recommend the approval of the reorganization of ASEDs as outlined above and in the attached documents. Please feel free to contact me with any questions or comments you might have regarding this memo or the attached documents. I am confident that the proposed ASEDs organization better positions FSA to deliver superior service to all its customers and operating partners.

Attachments:

ASEDS Proposed Organization Structure

ASEDS Proposed Functional Statement

ASEDS Proposed Staffing Pattern